Testimony on the Benefits of Intercity Passenger Rail

Before the

Subcommittee on Railroads, Pipelines and
Hazardous Materials
of the
House Committee on Transportation and Infrastructure

by

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Tuesday, June 26, 2007

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Congestion Relief Benefits of Modal Choice

Intercity passenger rail can provide a mobility alternative for travelers on our increasingly congested highway system. The congruence that exists between the intercity passenger rail corridors proposed for improved service by state transportation agencies and US DOT's forecast for congested routes on the National Highway System (NHS) in 2020 is more than coincidental. The public demand for fast and efficient passenger rail service is strongest in congested intercity corridors connecting major urban areas where travelers face both highway and airport congestion.

For short to medium distance trips of 100 to 400 miles, enhanced passenger rail service can offer travel time advantages over air transportation. Air travelers are required to check in at the airport at least one hour before departure time, and major airports are often 30 to 45 minutes from downtown destinations. Rail generally offers service from one city-center to another, with downtown stations in most cities and without security check-in delays.

Air travelers must deal with late arrivals and departures. In March 2007, only 72 percent of all U.S. flights had on-time arrivals. The resulting travel delays can be significant. For example, at New York LaGuardia, only 53 percent of arriving flights were on time. At Chicago O'Hare, 61 percent were on time. At Boston's Logan International, 65 percent were on time; and at Detroit Metro, 70 percent were on time.[1] Intercity rail connections to airports such as those that already exist at Baltimore-Washington International Airport, Newark, Burbank and Milwaukee can free up commuter slots and reduce airport congestion at major hubs.

A plan to modernize the U.S. Air Traffic Control System to help improve the safety and on-time performance of the airlines is under consideration in Congress. Intercity passenger rail funding should be expanded at the same time in order to assure the reliability and flexibility of our transportation system and to promote intermodal connectivity and a variety of travel options for the public.

Passenger rail feasibility studies have been conducted in states like North Carolina and Virginia, in Washington State and Oregon, and in the Midwestern states of Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin. These studies confirm that in 100- to 400-mile corridors with frequencies of 6-10 round trips per day and speeds of up to 110 miles per hour, enhanced passenger rail service is competitive with both the air and auto modes in terms of travel time, convenience and comfort.[2]

These feasibility studies have involved extensive market research, ridership and revenue forecasts, and operating and capital cost estimates. In specific corridors, ticket revenues from increased ridership were shown to be capable of covering or nearly covering operating costs. To achieve these operating efficiencies, a significant public investment in new train equipment and improved track and signals is essential. Infrastructure costs for corridors in the Midwest, for example, are estimated to be $2.7 million per mile.[3]

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[1] Air Travel Consumer Report, U.S. Department of Transportation, May 2007.

[2] Examples: "Record of Decision for the Tier I Southeast High Speed Rail Project," North Carolina Department of Transportation, October 2002; "Draft Long Range Plan for Amtrak *Cascades*," Washington Department of Transportation, February 2006; "Executive Report, Midwest Regional Rail System – A Transportation Network for the 21st Century," September 2004; "The Ohio and Lake Erie Regional Rail (Ohio Hub) Study Technical Memorandum and Business Plan, Ohio Rail Development Commission, May 2007.

[3] "Executive Report, Midwest Regional Rail System – A Transportation Network for the 21st Century," September 2004 (2007dollars).

The investment of federal funding for intercity passenger rail in support of these environmental improvements is simply good public policy. It will make our cities more livable and reduce the need to invest in unnecessary infrastructure improvements to support urban sprawl.

Economic Development Benefits

The improved mobility and access associated with enhanced passenger rail service can have significant economic development benefits for communities, states and the nation. An economic impact analysis of the 3,000-mile Midwest Regional Rail System (MWRRS) proposed by nine Midwestern states identified 58,000 new permanent jobs, $1.1 billion in increased household income, and $4.9 billion in increased property values around 102 stations served by the system.[9]

These benefits can be significant for individual communities. Enhanced passenger rail service in Milwaukee could generate up to 3,075 permanent jobs, $56 million in annual household income, and $227 million in increased property values around the downtown station.

St. Louis could expect an increase of up to 2,800 jobs, $57 million in household income and $250 million in property value increases. Similar benefits are shown for all 102 communities with stations served by the proposed Midwest Regional Rail System.

This same economic impact analysis identified $23.1 billion in user benefits accruing to the nine-state region from passenger travel time savings, highway and airport congestion reduction, and emission reductions. The system would provide 15,200 construction-related jobs, on average, during its 10-year build-out period.

With factories and service jobs moving to other countries and imports from China at an all-time high, economic development is vitally important to our communities. Our citizens need jobs. Intercity passenger rail promotes job development around stations and moves people to the communities to support those jobs.

Emergency Preparedness Benefits

Modal redundancy should be a basic tenet of the nation's homeland security policy related to the uninterrupted movement of people and goods during times of natural and man-made disaster. In fact, an effective intermodal transportation system, including intercity passenger rail, can help natural disasters from becoming human disasters.

Consider the problems with evacuating residents from New Orleans and other locations during Hurricanes Katrina and Rita. Recall that Amtrak served as a mobility alternative for millions of stranded travelers when all commercial airline operations were grounded after 9-11. Passenger rail is an underutilized resource in terms of disaster preparedness. It can facilitate efficient evacuations and relieve highway and airway congestion during emergencies. The nation must improve its ability to respond to transportation emergencies. Federal funding to assist states with the implementation of their regional rail development plans would help prepare for many kinds of emergencies.

[9]Benefit-Cost and Economic Impact Analysis, Midwest Regional Rail Initiative Project Notebook -- Chapter 11, November 2006.

Other State Activities
The States for Passenger Rail Coalition represents 30 states that support intercity passenger rail service. Many share Wisconsin's experience and frustration with the lack of federal support.

Virtually all of Amtrak's ridership gains over the past several years have come through state-sponsored services. Fourteen states provide annual operating support for Amtrak intercity corridor services.[10] These state-supported services account for 35 percent of Amtrak's daily ridership and about half of all passenger trains in the system. State-supported services such as Pennsylvania's *Keystone Service*, Illinois' Chicago to St. Louis trains, the *Downeaster* in Maine, and Oklahoma's *Heartland Flyer* joined Wisconsin's *Hiawatha Service* in realizing double-digit percentage increases in ridership during fiscal year 2006.

A GAO[11] report from November 2006 notes that total ridership on the state-supported corridor routes increased by 18 percent from 2002 through 2005, while ridership growth on other parts of the system remained relatively flat.

From Washington to Florida, from New York to California and everywhere in between, states have committed hundreds of millions of dollars for short-term, incremental improvements that have fueled the growth in Amtrak ridership. States have completed environmental analyses, put plans on the shelf, and have passengers ready to board the trains. Around the nation, 35 states have developed intercity passenger rail plans for future service.

Based on the states' plans, the 2002 Intercity Passenger Rail Transportation Report prepared by AASHTO[12] estimates $10.4 billion in state corridor needs and $6.5 billion in Amtrak Northeast Corridor needs over the next six years. When adjusted for inflation to 2007, the estimated state corridor needs for infrastructure and equipment come to at least $12.7 billion over six years and $57 billion over twenty years.

The need for capital investment in track and equipment is heightened by the increasing demand on Amtrak's resources, prompting Amtrak to say it will not have sufficient equipment to meet the demand in the 2010-2012 timeframe if this growth continues. Amtrak has also said that given the multi-year lead times required for equipment design and fabrication, it needs to begin the procurement process now.[13]

[10] See Attachment A.
[11] United States Government Accountability Office
[12] American Association of State Highway and Transportation Officials
[13] Staff memo to Subcommittee on Railroads, Pipelines and Hazardous Materials, June 11, 2007.

Fourteen states contract with Amtrak for the operation of trains that supplement the national Amtrak network by extending the reach of passenger rail services or provide additional frequencies on Amtrak routes. This information is taken from the Amtrak website:

California: *San Joaquins* (Bakersfield-Sacramento/Oakland), *Capitol Corridor Service* (San Jose-Auburn) and *Pacific Surfliner Service* (San Luis Obispo-San Diego) and an extensive system of connecting Amtrak Thruway Motorcoach routes

Illinois: *Hiawatha Service* (Chicago-Milwaukee), *Lincoln Service* (Chicago-St. Louis), *Illini & Saluki* (Chicago-Carbondale) and *Illinois Zephyr & Carl Sandburg* (Chicago-Quincy)

Maine: *Downeaster* (Portland-Boston)

Michigan: *Blue Water* (Port Huron-East Lansing-Chicago) and *Pere Marquette* (Grand Rapids-Chicago)

Missouri: *Missouri Mules* and *Ann Rutledge* (Kansas City-St. Louis)

New York: *Adirondack* (New York City-Montreal, QC.)

North Carolina: *Carolinian* (Charlotte-New York City) and *Piedmont* (Raleigh-Charlotte)

Oklahoma: *Heartland Flyer* (Oklahoma City-Fort Worth)

Oregon: *Amtrak Cascades* (Eugene-Portland-Seattle-Vancouver, B.C.)

Pennsylvania: *Keystone Corridor* (Harrisburg-Philadelphia-New York City)

Texas: *Heartland Flyer* (Fort Worth-Oklahoma City)

Vermont: *Ethan Allen Express* (Rutland-New York City) and *Vermonter* (St. Albans-Washington)

Washington: *Amtrak Cascades* (Vancouver, B.C.-Seattle-Portland-Eugene)

Wisconsin: *Hiawatha Service* (Milwaukee-Chicago)